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TECHNICAL INFORMATION CLEARINGHOUSE FUND ACT OF 1983

MAY 9, 1983.—Ordered to be printed

Mr. FUQUA, from the Committee on Science and Technology, submitted the following

REPORT

[To accompany H.R. 2514 which on April 12, 1983, was referred jointly to the Committee on Science and Technology and the Committee on Energy and Commerce]

[Including Cost Estimate of the Congressional Budget Office]

The Committee on Science and Technology, to whom was referred the bill (H.R. 2514) to enhance the transfer of technical information to industry, business, and the general public by amending the Act of September 9, 1950 (15 U.S.C. 1151 et seq.), to establish a technical information clearinghouse fund, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE OF H.R. 2514

The purpose of the bill is to enhance the transfer of technical information to industry, business, and the general public by amending the Act of September 9, 1950 (15 U.S.C. 1151 et seq.), to establish a technical information clearinghouse fund, and for other purposes.

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Legislative History

Testimony on the concept of a technical information clearinghouse fund for the National Technical Information Service [NTIS] was received by the Subcommittee on Science, Research and Technology in conjunction with the National Bureau of Standards [NBS] and related agency hearings on March 22, 1983. The bill was introduced on April 12, 1983 and referred jointly to the Committees on Science and Technology and Energy and Commerce. On April 19, 1983 the Committee on Science and Technology by unanimous voice vote ordered reported H.R. 2514. A similar bill (S. 808) was passed by the Senate on April 7, 1983.

Summary of Committee Actions

BUDGET ACTIONS

H.R. 2514 would authorize appropriations to establish in the Treasury of the United States a technical information clearinghouse fund to be available to the Secretary of Commerce, without fiscal year limitation, not to exceed $5 million. The purpose of the legislation is to establish a revolving fund to carry out scientific and technical information clearinghouse activities presently assigned by the Secretary of Commerce under existing law.

Background

The Act of September 9, 1950 (15 U.S.C. 1151–1157), directed the Secretary of Commerce to establish and maintain within the Department of Commerce a clearinghouse for the collection and dissemination of scientific, technical, and engineering information. The Secretary established, within the NBS, the Clearinghouse for Federal Scientific and Technical Information to perform this mandated function. In September of 1970, the Secretary, through Department Organization Order 30–7A, created within the Department of Commerce the NTIS and the clearinghouse function was transferred from NBS to NTIS. At that time, the Department of Treasury assigned a trust fund account for the activities of NTIS.

The NTIS clearinghouse function encompasses the public sale of Government-sponsored technological, scientific, economic, business, and engineering reports, and other analyses prepared or sponsored by national and local governmental agencies, by Federal agencies, their contractors or grantees. In fiscal year 1981, the clearinghouse program became totally self-sufficient for all routine operating costs. Eighty-five percent of NTIS's revenues come from sales to the public, the remainder from sales to Government agencies. Annual sales are approximately $22 million.

The current trust fund mechanism available to NTIS does not provide adequate working capital during periods of broad fluctuations in cash flow. In addition, NTIS is not currently permitted to retain net earnings to develop working capital; therefore, no work-

ing capital reserve is available to finance operations or purchase capital assets during low cash periods. As a result of these and related problems, the Department of Commerce, the General Accounting Office, and the Office of Management and Budget concluded that the NTIS trust fund is not adequate for operational needs.

Explanation of the Bill

H.R. 2514 provides the legal authority for NTIS to establish a working capital fund in the Treasury of the United States to serve as a line of credit. NTIS could draw from this revolving fund to finance operations during periods of low cash flow and replace such funds during periods of higher cash flow. NTIS is authorized by the bill to retain earnings necessary to replace capital and assets. At the close of each fiscal year, the Secretary shall transfer to the general fund of the Treasury any amount in the revolving fund that exceeds any present and reasonable future requirement of the revolving fund.

Sectional Analysis of the Bill

SECTION 101

Amends the Act of September 9, 1950 (15 U.S.C. 1151 et seq.) by adding a new Section 8.

Subsection 8(a) establishes the revolving fund, without fiscal year limitation, in the Treasury for use by the Secretary of Commerce to carry out the activities of the clearinghouse.

Subsection 8(b) authorizes inclusion in the fund of all revenues including sums appropriated for the clearinghouse.

Subsection 8(c) authorizes use of the revolving fund to pay all costs of clearinghouse activities; and defines the term "cost" or "costs".

Subsection 8(d) authorizes refunds from the fund for fees paid in error or in excess.

Subsection 8(e) requires the Secretary to transfer moneys in excess of any present or future reasonable requirement of the fund from the revolving fund to the general fund of the Treasury at the close of each fiscal year.

Subsection 8(f) authorizes an appropriation not to exceed $5 million for working capital for the fund.

SECTION 103

Amends section 3 of the Act of September 9, 1950 (15 U.S.C. 1153) to require that fees promulgated by the Secretary of Commerce reflect, to the extent feasible, the costs of products and services offered.

Committee View

The committee believes that a revolving fund mechanism for the NTIS technical information clearinghouse function will facilitate the operational and managerial procedures and practices of NTIS. By promulgating fees on the basis of costs of products and services

and permitting funds to be retained to cover current and reasonable future needs, the clearinghouse could remain self-sustaining. Therefore, no net budget outlay is anticipated.

Committee Recommendation

On April 19, 1983, the Committee on Science and Technology, a majority being present, by unanimous voice vote ordered favorably reported the bill.

Committee Oversight—Findings and Recommendations

Pursuant to Rule XI, Clause 2(l)(3), of the Rules of the House of Representatives, under the authority of Rule X, Clause 2(b)(1) and Clause 3(f), the committee's oversight findings and conclusions are reflected in the recommendations found in the present bill and report.

Effect of Legislation on Inflation

In accordance with Rule XI, Clause 2(l)(4), of the Rules of the House of Representatives, this legislation is assessed to have no adverse inflationary effect on prices and costs in the operations of the national economy.

Summary of Committee on Government Operations Findings and Recommendations

Pursuant to Rule X, Clause 2(b)(2), and Rule XI, Clause 2(l)(3), of the Rules of the House of Representatives, no findings or recommendations have been submitted by the Committee on Government Operations for inclusion in this report.

Administration Position

The committee has been advised by the Department of Commerce that the administration has no objection to the bill and that its enactment would be in accord with the program of the President.

Congressional Budget Act Information

The bill provides for new authorization rather than new budget authority and consequently the provisions of section 308(a) of the Congressional Budget Act are not applicable. No authorization for State or local financial assistance is included in the bill.

Congressional Budget Office Cost Estimate

The following information pursuant to section 403 of the Congressional Budget Act of 1974 has been provided to the Committee on Science and Technology by the Congressional Budget Office.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C, April 20, 1983.

Hon. DON FUQUA,
Chairman, Committee on Science and Technology, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 2514, the Technical Information Clearinghouse Fund Act of 1983, as ordered reported by the House Committee on Science and Technology, April 19, 1983.

This bill would establish a public enterprise revolving fund for the National Technical Information Service [NTIS], which collects and distributes scientific and business information generated by the Federal Government, and promotes and licenses Government-owned inventions. H.R. 2514 authorizes a one-time appropriation of $5 million to establish the revolving fund, which would replace the current practice of using trust, reimbursable, and consolidated working funds at NTIS. The revolving fund would allow NTIS to retain net earnings, thus allowing for replacement of capital equipment as well as allowing the fund to finance operations in the event of cash flow lags. Since the fund would be self-sufficient, with reimbursements covering expenses, it is expected that no net outlays would result from obligation of the $5 million.

Enactment of this bill would not affect the budgets of State and local governments.

Should the committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

JAMES BLUM,
(For Alice M. Rivlin, Director).

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italics, existing law in which no change is proposed is shown in roman):

ACT OF SEPTEMBER 9, 1950

AN ACT

To provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes.

* * * * * * *

RULES, REGULATIONS, FEES

SEC. 3. The Secretary is authorized to make, amend, and rescind such orders, rules, and regulations as he may deem necessary to carry out the provisions of this Act, and to establish, from time to time, a schedule or schedules of reasonable fees or charges for services performed or for documents or other publications furnished

under this Act. *Such schedule or schedules shall, to the fullest extent feasible, reflect the costs of the products and services offered.*

It is the policy of this Act, to the fullest extent feasible and consistent with the objectives of this Act, that each of the services and functions provided herein shall be self-sustaining or self-liquidating and that the general public shall not bear the cost of publications and other services which are for the special use and benefit of private groups and individuals; but nothing herein shall be construed to require the levying of fees or charges for services performed or publications furnished to any agency or instrumentality of the Federal Government, or for publications which are distributed pursuant to reciprocal arrangements for the exchange of information or which are otherwise issued primarily for the general benefit of the public.

* * * * * * *

TECHNICAL INFORMATION CLEARINGHOUSE FUND

SEC. 8. (a)(1) There is established in the Treasury of the United States the Technical Information Clearinghouse Fund (hereinafter referred to as the "Fund"). The Fund shall be available to the Secretary, without fiscal year limitation, for use as a revolving fund to carry out clearinghouse activities.

(2) For purposes of this section, the term "clearinghouse activities" means the activities authorized in this Act and any other activities lawfully assigned by the Secretary to the clearinghouse established under section 2 of this Act.

(b) There shall be deposited or included in the Fund—

(1) all fees, advances, and reimbursements received from any source for products and services furnished, or to be furnished, by the clearinghouse;

(2) all receipts from the sale, rental, or exchange of property used by the clearinghouse and all receipts in payment for any loss or damage to such property;

(3) all receivables, inventories, and other assets associated with clearinghouse activities; and

(4) any sums appropriated by law for the conduct of clearinghouse activities.

(c)(1) The Fund shall be available to the Secretary for the payment of all costs of conducting clearinghouse activities, including the payment of any financial obligations related to clearinghouse activities which were undertaken by the Secretary prior to the establishment of the Fund or which are subsequently transferred to the Fund by law or in conjunction with any reorganization authorized by law.

(2) As used in this subsection, the term "cost" or "costs" shall include all directly related expenses and appropriate charges for indirect and administrative expenses, including accrued leave; uncollectible accounts; cost of sales; developmental costs; depreciation; inventory obsolescence; and financial obligations related to clearinghouse activities undertaken before the establishment of the Fund or subsequently transferred to the Fund by law or in conjunction with any reorganization authorized by law.

(d) The Secretary may refund from the Fund any fee paid by mistake or in excess of a required fee.

(e) At the close of each fiscal year, the Secretary shall transfer to the general fund of the Treasury any amount in the Fund that exceeds any present and reasonable future requirements of the Fund.

(f) There is authorized to be appropriated to the Secretary not to exceed $5,000,000 for working capital for the Fund.

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